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For Immediate Release

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PRESIDENT OF FIRST FIDELITY MORTGAGE, INC. SENTENCED FOR BANK FRAUD

Nichols prepared fraudulent notes by forging signatures of borrowers

Shreveport, Louisiana . . . William Everett Nichols, 56, of Alexandria, La., President and sole shareholder of First Fidelity Mortgage, Inc., was sentenced to six years in federal prison and ordered to pay \$3,903,071.00 in restitution for bank fraud, Acting United States Attorney William J. Flanagan announced today. Today's sentence was imposed by U. S. District Court Judge Donald E. Walter in Shreveport.

Nichols pled guilty to bank fraud in November 2009. The FBI investigation of Nichols and First Fidelity Mortgage, Inc., doing business as Southern Funding, showed that Southern Funding was involved in the mortgage lending business and provided mortgages to customers in central Louisiana. Sabine State Bank and Peoples State Bank of Many, Louisiana, provided credit to Southern Funding for mortgages which were secured by customer notes pledged by Southern Funding to the banks. Nichols also had private investors as a funding source.

Nichols forged signatures of borrowers and provided the forged notes as collateral. He is responsible for a total amount of loss to banks and private investors of \$3,903,071.00.

The case was investigated by the Federal Bureau of Investigation and is being prosecuted by Assistant United States Attorney Alexander C. Van Hook.

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